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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/597,881	06/20/2000	Robert Rademacher	6311-11	5018

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EXAMINER


POINVIL, FRANTZY

ART UNIT	PAPER NUMBER
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3628

DATE MAILED: 08/10/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No. 09/597,881	Applicant(s) RADEMACHER ET AL.	
	Examiner Frantzy Poinvil	Art Unit 3628	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
 - If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
 - If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
 - Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 20 May 2004.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-19, 22-40 and 43-50 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-19, 22-40 and 43-50 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. Applicant's arguments are moot in view of the new grounds of rejection.

Claim Rejections - 35 USC § 103

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-19, 22-40 and 43-50 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sampson et al (US Patent No. 5,802,499) in view of the "Wall Street Letter" article, Kirksey (US Patent No. 6,460,021) and Aziz et al (US Patent No. 6,018,721).

As per claims 1-8, 10-21, 31, 35-40 and 50, Applicant's representative argues that the prior office action admits that the combination of Sampson et al and the Wall Street Journal does not explicitly or inherently disclose, teach or suggest having the aggregate net exposure quantified using cross-product and cross-agreement netting as recited in independent claims 1-19, 22, 27-30, 31-40 and 43-50. Applicant's representative also stated that the combination of Sampson et al and the Wall Street Letter does not explicitly teach or inherently disclose or suggest having the aggregate net exposure quantified using "cross-entity exposure netting" as recited in independent claim 9.

In response, Sampson et al disclose a method and system for providing credit support to parties associated with derivative and other financial transactions. See the abstract. In so doing, Sampson et al uses a computer system for identifying an entity (column 18, line 61 to column 19, line 23); quantifying an aggregate net exposure relating to financing positions held by the identified entity wherein the positions are held in multiple products and multiply market segments (column 16, line 61 to column 17, line 63). An aggregate net exposure is quantified using cross product netting and cross-agreement netting is not explicitly stated in Sampson et al. However, it is noted that Sampson et al disclose a similar function as described in applicant's specification. Particularly, Sampson et al determine a net exposure or net value of each asset or asset type for a given quantity. See column 17, line 28-36 and column 17, line 36-62.

In applicant's specification, cross product netting enables capturing positions of multiple related or non-related products in Exchange 212 or Non Exchange 213. Cross product Netting 21 can include for example, netting foreign exchange (FX) options,... FX cash, interest...) . Sampson et al disclose a similar teaching. Applicant is directed to column 17, lines 33-35, column 24, lines 63 to column 26, line 6.

Cross-Agreement Netting 219 enables combining exposures associated with multiple agreements. Cross Agreement Netting 219, can include or supercede for example collateral agreements such as exchange margin agreements...and emerging agreements. Sampson et al disclose a similar teaching. Applicant is directed to column 21, line 48 to column 24, line 58 of Sampson et al.

Sampson et al also disclose determining a value for collateral dedicated to offset the exposure and managing leverage relating to the collateral to offset the exposure. Note column 11, lines 10-67, column 17, line 63 to column 18, line 3 and figure 5B of Sampson et al.

Thus, the claimed features are different from Sampson et al as only a difference in label. Furthermore, the Wall Street Letter states that the "Board of Trade Clearing Corp. will soon accept shares of stock to satisfy minimum margin requirements" and "To offset the additional risk associated with accepting shares of stock as collateral, the BOTCC will impose a haircut on the stocks value".

It would have been obvious to one of ordinary skill in the art at the time of the invention to incorporate the teachings provided in the Wall Street Letter in Sampson et al in order to minimize potential losses of a lender.

Although not explicitly stated managing and monitoring the leverage relating to financial transactions in the system of Sampson et al as combined with the Wall Street Letter, the Examiner notes such would have been obvious to one of ordinary skill in the art to do for reporting purposes.

Furthermore, Kirksey discloses a system for managing debts using cross collateralization and loan agreements. Note the abstract and the various examples provided in the system of Kirksey. Also, Aziz teaches a system and method for improved collateral monitoring and control involving assessing the risk associated with holding securities of a particular type and the risk associated with holding securities in currencies other than the liability currency. See the abstract.

It would have been obvious to one of ordinary skill in the art at the time the invention was made to incorporate the teachings of Aziz and Kirksey into Sampson et al and the Wall Street Letter in order to make the system world wide accepted.

As per claim 9, cross entity exposure netting is disclosed in applicant's specification (column 11, lines 10-11) as "Cross Entity Netting can include more than one entity grouped together in order to mutually share exposure and collateral positions". Thus, this is similar to the teachings of Sampson et al wherein an entity may comprise a group of entity and the examples I and X of Kirksey et al.

Applicant's representative further argues that the combination of Sampson et al and the Wall Street Letter does not explicitly teach computing net exposure values separately for financial product groupings and accumulating product grouping totals according to a parent entity as recited in claim 22.

In response, Sampson et al disclose that there are many types of assets or products present for a given entity. Note column 17, lines 37-62 and column 25, lines 45-65 of Sampson et al.

Accumulating market product segments forming a composite of exposure across market segments of claim 23 would have been obvious to one of ordinary skill in the art in order to provide details of any given products or assets.

As per claim 24, Sampson et al disclose monitoring exposure levels across market segments to determine if exposure remains within a predetermined tolerance and initiating communication for additional collateral resultant to the exposure exceeding the predetermined tolerance. See Sampson et al at column 17, line 63 to column 18, line 3, column 11, lines 10-27.

As per claims 25-26, the identifying and determining steps are also taught by Sampson et al (column 17, line 63 to column 18, line 3, column 11, lines 10-27).

As per claim 27, cross-product netting and cross-agreement netting are discussed above. Allocating collateral to offset the exposure and re-allocating the collateral in response to a mitigating event removing or lessening the exposure is taught by Sampson et al on columns 17 and 18.

As per claims 28-30, note the teachings of Sampson et al.

As per claim 32, Sampson et al discloses credit agreement between different parties. Kirksey also discloses a similar teaching. Performing currency translations in the combined system above would have been obvious to one of ordinary skill in the art since the system is made available to many customers throughout the world.

As per claim 33, the combination above comprises business logic engine operative to perform calculations according to rule sets.

As per claim 34, providing an event notification engine to receive and publish information in the combination above would have been obvious to one of ordinary skill in the art

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at the time of the invention to include in therein in order to provide users with current and updated news relating to their account.

Claims 43-49 recite well known attributes found in a trading environment. Providing a display area on a display screen of the combined teachings above would have been obvious to one of ordinary skill in the art at the time of the invention in order to provide users with a friendly graphical user interface whereby users may instantly view or input related information.


Conclusion

3. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Frantzy Poinvil whose telephone number is (703) 305-9779. The examiner can normally be reached on Monday-Thursday.

The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

FP
August 7, 2004


FRANTZY POINVIL
PRIMARY EXAMINER
AU 3628